



**ALLIANCE** DOCKET FILE COPY ORIGINAL  
COMMUNICATIONS™

REDACTED – FOR PUBLIC INSPECTION

June 26, 2014

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, DC 20554

Received & Inspected

JUN 27 2014

FCC Mail Room

**Re:** *In the Matter of ETC Annual Reports and Certifications, Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing a Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund, WC Docket Nos. 14-58, 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208*

Dear Ms. Dortch:

On behalf of Alliance Communications Cooperative, Inc. – Hills, MN (361405), please find enclosed two copies of Alliance Communications Cooperative, Inc. – Hills, MN (361405)'s FCC Form 481, along with the redacted versions of the Confidential Financial Information.

Also enclosed are copies of Alliance Communications Cooperative, Inc. – Hills, MN (361405)'s redacted five-year service quality improvement plan.

One copy of the FCC Form 481, containing Confidential Financial Information is being filed under separate cover.

Please do not hesitate to contact me at (605) 594-8228 if you have any questions regarding this submission.

Respectfully submitted,

Kari J. Flanagan

CFO

Alliance Communications Cooperative, Inc.

No. of Copies rec'd 071  
List ABCDE

Encl.

*wired differently*

Five-Year Plan Language for exchanges at or near [REDACTED] deployed

Pursuant to 47 C.F.R. 54.202(a)(1)(ii), Alliance Communications Cooperative, Inc. (Alliance) submits a five-year plan that describes with specificity proposed improvements or upgrades to its network throughout its proposed service area. Alliance also provides estimates regarding the area and population that will be served as a result of the improvements. This plan is based on Alliance's current business and financial conditions and is subject to change as a result of changes in those conditions.

Pursuant to 47 C.F.R. 54.313, in each subsequent year, Alliance will file a progress report on its five-year service quality improvement plan pursuant to 54.202(a), including maps detailing its progress towards meeting its plan targets, an explanation of how much universal service support was received and how it was used to improve service quality, coverage, or capacity, and an explanation regarding any network improvement targets that have not been fulfilled in the prior calendar year.

As of January 1, 2014, [REDACTED] or [REDACTED] customers in Alliance's 361405 Study Area (Exchanges served; [REDACTED], [REDACTED], [REDACTED]) have access to broadband Internet service through Alliance's fiber optic facilities. Subscribers served by these facilities have access that meets or exceeds the 4/1 Mbps standard. No capital improvements are required for those subscribers meeting the 4/1 Mbps standard other than maintenance of facilities and as such, no capital investment to these subscribers is outlined in this plan.

Although no capital improvements are required in the Alliance service area to bring subscribers to the 4/1 Mbps standard, Alliance incurred approximately [REDACTED] in depreciation expense and [REDACTED] in on-going maintenance and operating expenses in calendar year 2013. It is reasonable to expect depreciation, maintenance, and operating expenses for the 2015 through 2019 calendar years will continue at similar amounts.

**FCC Form 481 - Carrier Annual Reporting**  
**Data Collection Form**

 FCC Form 481  
 OMB Control No. 3060-0082/OMB Control No. 3060-0013  
 July 2013

<010> Study Area Code	361405	
<015> Study Area Name	HILLS TEL CO, INC	Received & Inspected
<020> Program Year	2015	
<030> Contact Name: Person USAC should contact with questions about this data	Kari Flanagan	JUN 27 2014
<035> Contact Telephone Number: Number of the person identified in data line <030>	6055948228 ext.	
<039> Contact Email Address: Email of the person identified in data line <030>	kjflanagan@alliancecom.net	FCC Mail Room

ANNUAL REPORTING FOR ALL CARRIERS		54.313 Completion Required	54.422 Completion Required
<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<210> <input type="checkbox"/> -- check box if no outages to report		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<300> Unfulfilled Service Requests (voice)	0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<310> Detail on Attempts (voice)	<div style="border: 1px solid black; height: 40px; width: 100%;"></div> (attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)	0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<330> Detail on Attempts (broadband)	<div style="border: 1px solid black; height: 40px; width: 100%;"></div> (attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<410> Fixed	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<420> Mobile	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<430> Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<440> Fixed	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<450> Mobile	0.0	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<510> <div style="border: 1px solid black; height: 40px; width: 100%;"></div> 361405MNS10.pdf	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<610> <div style="border: 1px solid black; height: 40px; width: 100%;"></div> 361405mn610.pdf	(attached descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900> Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/>	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1000> Voice Services Rate Comparability	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1010> <div style="border: 1px solid black; height: 40px; width: 100%;"></div>	(attach descriptive document)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1100> Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input checked="" type="radio"/>	(if not, check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1110>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet</b>			
Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers			
<2000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<2005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet</b>			
<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>



(100) Service Quality Improvement Reporting  
Data Collection FormFCC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010> Study Area Code	361405
<015> Study Area Name	HILLS TEL CO, INC
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Karl Flanagan
<035> Contact Telephone Number - Number of person identified in data line <030>	6055948228 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	kjflanaganealliancecom.net

<110> Has your company received its ETC certification from the FCC? (yes / no) ☐ ☒

If your answer to Line <110> is yes, do you have an existing §54.202(a) "5 year plan" filed with the FCC? (yes / no) ☐ ☐

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

<112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

361405sn112.pdf

Name of Attached Document

Please check these boxes below to confirm that the attached documents(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

<113> Maps detailing progress towards meeting plan targets

<114> Report how much universal service (USF) support was received

<115> How (USF) was used to improve service quality

<116> How (USF) was used to improve service coverage

<117> How (USF) was used to improve service capacity

<118> Provide an explanation of network improvement targets not met in the prior calendar year.


<010>	Study Area Code	361405
<015>	Study Area Name	HILLS TEL CO, INC
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Kari Flanagan
<035>	Contact Telephone Number - Number of person identified in data line <030>	6055948228 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	kjflanagan@alliancecom.net

[illegible]

<010>	Study Area Code	361405
<015>	Study Area Name	HILLS TEL CO, INC
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Kari Flanagan
<035>	Contact Telephone Number - Number of person identified in data line <030>	6055948228 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	kiflanagan@alliancecom.net

<701>	Residential Local Service Charge Effective Date	1/1/2014
<702>	Single State-wide Residential Local Service Charge	14.0

[illegible]

<010>	Study Area Code	361405
<015>	Study Area Name	HILLS TEL CO, INC
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Kari Flanagan
<035>	Contact Telephone Number - Number of person identified in data line <030>	6055948228 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	kjflanagan@alliancecom.net

[illegible]

Page 6



<b>(900) Tribal Lands Reporting</b> <b>Data Collection Form</b>	FOL Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0986 July 2018
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<010> Study Area Code	361405
<015> Study Area Name	HILLS TEL CO, INC
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Kari Planagan
<035> Contact Telephone Number - Number of person identified in data line <030>	6055940228 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	kplanagan@alliancecom.net

<910> Tribal Land(s) on which ETC Serves

<920> Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes, No, NA)

<b>(1100) No Terrestrial Backhaul Reporting</b>		FCC Form 481
<b>Data Collection Form</b>		OMB Control No. 3050-0925/OMB Control No. 3060-0813
		July 2013

<010>	Study Area Code	361405
<015>	Study Area Name	HILLS TEL CO. INC
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Kari Planagan
<035>	Contact Telephone Number - Number of person identified in data line <030>	6055948228 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	kjflanagan@alliancecom.net

Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G) ☐

Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G) ☐

(1200) Terms and Condition for Lifeline Customers  
Lifeline  
Data Collection Form

FOU Form 491  
OMB Control No. 3050-0086/OMB Control No. 3050-0086  
July 2013

<010>	Study Area Code	361405
<015>	Study Area Name	HILLS TEL CO, INC
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Kari Flanagan
<035>	Contact Telephone Number - Number of person identified in data line <030>	6055948228 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	kiflanagan@alliancecom.net

361405en1210.pdf

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

<1220> Link to Public Website

HTTP <http://www.alliancecom.net/support/forms/lifeline-form>

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒
- <1222> Details on the number of minutes provided as part of the plan, ☒
- <1223> Additional charges for toll calls, and rates for each such plan. ☒

## (B000) Price Cap Carrier Additional Documentation

## Data Collection Form

Including Rate-of Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481

OMB Control No. 3060-0086/OMB Control No. 3050-0013

July 2013

<010>	Study Area Code	361405
<015>	Study Area Name	HILLS TEL CO, INC
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Kari Flanagan
<035>	Contact Telephone Number - Number of person identified in data line <030>	6055948228 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	kiflanagan@alliancecom.net

CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

## Incremental Connect America Phase I reporting

<2010> 2nd Year Certification (47 CFR § 54.313(b)(1)) ☐

<2011> 3rd Year Certification (47 CFR § 54.313(b)(2)) ☐

## Price Cap Carrier Receiving Frozen Support Certification (47 CFR § 54.312(a))

<2012> 2013 Frozen Support Certification ☐

<2013> 2014 Frozen Support Certification ☐

<2014> 2015 Frozen Support Certification ☐

<2015> 2016 and future Frozen Support Certification ☐

## Price Cap Carrier Connect America ICC Support (47 CFR § 54.313(d))

<2016> Certification Support Used to Build Broadband ☐

## Connect America Phase II Reporting (47 CFR § 54.313(e))

<2017> 3rd year Broadband Service Certification ☐

<2018> 5th year Broadband Service Certification ☐

<2019> Interim Progress Certification ☐

<2020> Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year. ☐

<2021> Interim Progress Community Anchor Institutions

Name of Attached Document Listing Required Information



(3000) Rate Of Return Carrier Additional Documentation Data Collection Form	FCC Form 481 OMB Control No. 3060-0066 (OMB Control No. 3060-0013) July 2013
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<010> Study Area Code	361405
<015> Study Area Name	HILLS TEL CO. INC
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Karl Flanagan
<035> Contact Telephone Number - Number of person identified in data line <030>	6055948228 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	kflanagan@alliancecom.net

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

(3010) Progress Report on 5 Year Plan  
Milestone Certification (47 CFR § 54.313(f)(1)(i))

Name of Attached Document Listing Required Information

(3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

☐

(3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))

Name of Attached Document Listing Required Information

(3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))  
(3014) If yes, does your company file the RUS annual report

(Yes/No) ☒ Yes  
(Yes/No) ☒ No

Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

(3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)

☒

(3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

☒

(3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

361405mn3017.pdf, 361405mn3017.xlsx

Name of Attached Document Listing Required Information

(3018) If the response is no on line 3014, is your company audited?

(Yes/No) ☒ Yes

If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

(3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications

☐

(3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

☐

(3021) Management letter issued by the independent certified public accountant that performed the company's financial audit.

☐

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

(3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers,

☐

(3023) Underlying information subjected to a review by an independent certified public accountant

☐

(3024) Underlying information subjected to an officer certification.

☐

(3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

(3026) Attach the worksheet listing required information

Name of Attached Document Listing Required Information

Certification - Reporting Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0186/OMB Control No. 3060-0819 July 2013
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<010> Study Area Code	361405
<015> Study Area Name	HILLS TEL CO, INC
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Kari Flanagan
<035> Contact Telephone Number - Number of person identified in data line <030>	6055948228 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	kjflanagan@alliancecom.net

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

<b>Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients</b>	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier: HILLS TEL CO, INC	
Signature of Authorized Officer: CERTIFIED ONLINE	Date 06/25/2014
Printed name of Authorized Officer: Kari Flanagan	
Title or position of Authorized Officer: CPO	
Telephone number of Authorized Officer: 6055948228 ext.	
Study Area Code of Reporting Carrier: 361405	Filing Due Date for this form: 07/01/2014
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier Data Collection Form	FCC Form 361 OMB Control No. 3150-7062/04-01 Control No. 3150-7062 July 2013
---	--

<010> Study Area Code	361405
<015> Study Area Name	HILLS TEL CO, INC
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Kari Flanagan
<035> Contact Telephone Number - Number of person identified in data line <030>	6055948228 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	kjflanagan@alliancecom.net

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent: _____	
Name of Reporting Carrier: _____	
Signature of Authorized Officer: _____	Date: _____
Printed name of Authorized Officer: _____	
Title or position of Authorized Officer: _____	
Telephone number of Authorized Officer: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier: _____	
Name of Authorized Agent or Employee of Agent: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Printed name of Authorized Agent or Employee of Agent: _____	
Title or position of Authorized Agent or Employee of Agent: _____	
Telephone number of Authorized Agent or Employee of Agent: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

## Attachments



(200) Service Outage Reporting (Voice)  
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010> Study Area Code	361405
-----------------------	--------

<015>	Study Area Name	HILLS TEL CO, INC
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<020>	Program Year	2015
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<030>	Contact Name - Person USAC should contact regarding this data	Kari Flanagan
-------	---	---------------

<035>	Contact Telephone Number - Number of person identified in data line <030>	6055940220 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	kjflanagan@alliancecom.net

(220)

[illegible]

(700) Price Offerings including Voice Rate Data  
Data Collection Form

OMB Control No. 3060-0066/OMB Control No. 3060-0066  
July 2013

<010>	Study Area Code	361405
<015>	Study Area Name	HILLS TEL CO, INC
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Kari Planagan
<035>	Contact Telephone Number - Number of person identified in data line <030>	6055948228 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	kjclansaan@alliancecom.net

<701>	Residential Local Service Charge Effective Date	1/1/2014
<702>	Single State-wide Residential Local Service Charge	14.0

<703>

[illegible]

**[710] Broadband Price Offerings**  
Data Collection Form

FD-500a-281  
OMB Control No. 3060-0066 / OMB Control No. 3060-0066  
July 2012

<010> Study Area Code 361405  
 <015> Study Area Name HILLS TEL CO, INC  
 <020> Program Year 2015  
 <030> Contact Name - Person USAC should contact regarding this data Kari Planagan  
 <035> Contact Telephone Number - Number of person identified in data line <030> 6055948228 ext.  
 <039> Contact Email Address - Email Address of person identified in data line <030> k1planagan@alliancecom.net

<711>								
State	Exchange (ILEC)	Residential Rate	State Regulated Fees	Total Rates and Fees	Broadband Service - Download Speed (Mbps)	Broadband Service - Upload Speed (Mbps)	Usage Allowance (GB)	Usage Allowance Action Taken When Limit Reached (select)
MI	507-471 Lester	14.95	0.0	14.95	0.512	0.256	0.0	Other, No Usage Allowance
MI	507-471 Lester	29.95	0.0	29.95	3.0	1.5	0.0	Other, No Usage Allowance
MI	507-471 Lester	34.95	0.0	34.95	10.0	1.5	0.0	Other, No Usage Allowance
MI	507-471 Lester	44.95	0.0	44.95	15.0	1.5	0.0	Other, No Usage Allowance
MI	507-471 Lester	59.95	0.0	59.95	20.0	3.0	0.0	Other, No Usage Allowance
MI	507-471 Lester	79.95	0.0	79.95	30.0	5.0	0.0	Other, No Usage Allowance
MI	507-471 Lester	139.95	0.0	139.95	50.0	10.0	0.0	Other, No Usage Allowance
MI	507-471 Lester	159.95	0.0	159.95	50.0	20.0	0.0	Other, No Usage Allowance
MI	507-471 Lester	179.95	0.0	179.95	100.0	15.0	0.0	Other, No Usage Allowance
MI	507-471 Lester	199.95	0.0	199.95	100.0	25.0	0.0	Other, No Usage Allowance
MI	507-855 Steen	14.95	0.0	14.95	0.512	0.256	0.0	Other, No Usage Allowance
MI	507-855 Steen	29.95	0.0	29.95	3.0	1.5	0.0	Other, No Usage Allowance
MI	507-855 Steen	34.95	0.0	34.95	10.0	1.5	0.0	Other, No Usage Allowance
MI	507-855 Steen	44.95	0.0	44.95	15.0	1.5	0.0	Other, No Usage Allowance
MI	507-855 Steen	59.95	0.0	59.95	20.0	3.0	0.0	Other, No Usage Allowance
MI	507-855 Steen	79.95	0.0	79.95	30.0	5.0	0.0	Other, No Usage Allowance
MI	507-855 Steen	139.95	0.0	139.95	50.0	10.0	0.0	Other, No Usage Allowance
MI	507-855 Steen	159.95	0.0	159.95	50.0	20.0	0.0	Other, No Usage Allowance
MI	507-855 Steen	179.95	0.0	179.95	100.0	15.0	0.0	Other, No Usage Allowance
MI	507-855 Steen	199.95	0.0	199.95	100.0	25.0	0.0	Other, No Usage Allowance
MI	507-962 Hilla	14.95	0.0	14.95	0.512	0.256	0.0	Other, No Usage Allowance

FCC Form 481  
OMB Control No. 3060-0546/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	361405
<015>	Study Area Name	HILLS TEL CO, INC
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Kari Flanagan
<035>	Contact Telephone Number - Number of person identified in data line <030>	6055948228 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	kiflanagan@alliancecom.net

[illegible]



FEC Form 481  
OMB Control No. 3060-0986/OMB Control No. 3060-0911  
July 2013

<010>	Study Area Code	361405
<015>	Study Area Name	HILLS TEL CO, INC
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Keri Planagan
<035>	Contact Telephone Number - Number of person identified in data line <030>	6055948228 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	kjflanagan@alliancecom.net
<810>	Reporting Carrier	Alliance Communications Cooperative, Inc.-Hills, MN
<811>	Holding Company	
<812>	Operatine Company	Alliance Communications Cooperative, Inc.

[illegible]

**ALLIANCE COMMUNICATIONS COOPERATIVE, INC.  
FOR STUDY AREAS 391657, 391642, 391405, 361405, AND 351405 IN SD, IA, MN**

**Certification of Compliance with Applicable Service Quality Standards and  
Consumer Protection Rules for Voice and Broadband Services**

Service quality standards and consumer protection rules for broadband are not as defined as the rules for voice services. The Company complies with any service quality standards and consumer protection rules for broadband that are out there now and any that will be defined in the future.

Service Quality Standards

For voice services, the Company:

- Provides voice grade access to the public switched network.
- Provides flat rated local exchange service with no additional charge to end users.
- Provides access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911.
- Provides toll blocking and toll limitation services.

For voice and broadband services, the Company:

- Advertises the availability of its services and the charges using media of general distribution and/or on its website.
- Maintains a business office providing customers with access to a customer service representative either in person or via a local telephone call or toll-free telephone number during business hours.
- Directs after hour calls to the Company's help desk.
- Directs trouble reports to the on-call technician.
- Tracks all service orders to ensure they are completed in a timely manner.
- Measures its service connection and service interruption performance on a regular basis.
- Trains employees to:
  - Answer all incoming calls promptly.
  - Respond to all inquiries for information promptly and courteously.
  - Investigate thoroughly all customer complaints and handle appropriately according to the Company's guidelines for resolution of customer complaints.
  - Be knowledgeable about products and service offerings so they can assist the customer with selecting the best service option.
- Has a process for periodic inspection, testing and preventive maintenance of its equipment to permit the rendering of safe, adequate and continuous service at all times.
- Meets or exceeds the standards established by the state commission and provides any reports required in accordance with the state commission's rules.

Consumer Protection Rules

The Company has established operating procedures designed to facilitate compliance with applicable consumer protection rules which include compliance with the Customer Proprietary Network Information (CPNI) rules. The operating procedures include:

- Appointment of a compliance officer.
- A manual detailing the specific procedures for protecting consumer information.
- Employee training on an annual basis.
- A disciplinary process for improper use of consumer information. If complaints are filed with the Company regarding consumer protection rules, the complaint is immediately investigated, the matter tracked and any corrective action noted. This process ensures that problems are addressed and corrections made.

SAC: 361405, 391405, 391657

State: MN

Alliance Communications Cooperative, Inc.

Form 481 Line No.: 610 Description of Functionality in Emergency Situations

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Alliance Communications Cooperative, Inc. pursuant to MN Rule "7810.399 Emergency Operations" has:

- Established reasonable provisions' to meet emergencies resulting from failures of lighting or power service, sudden and prolonged increases in traffic, illness of operators or from fire, storm, or acts of God including provisions for emergency power that meet or exceed the rule requirement to provide:
  - A minimum of four hours of battery service in each central office.
  - A permanently installed power unit in exchanges exceeding 5000 lines.
  - Mobile power units that can be delivered on short notice and which can be readily connected in offices without installed emergency power facilities.
  - All fiber and inter-exchange routes are ringed for voice and data traffic.
  - Switching and transport capacity of the network is able to support an average of 20 customer lines per toll trunk based on the call volume and geographical distance of the area to the nearest metropolitan area. The network is able to handle all call volume with no blocked calls during traffic spikes.
- Has informed employees as to the procedures to be followed, including reasonable rerouting of traffic around damaged facilities and the deployment of emergency power, in the event of emergency in order to prevent or mitigate interruption or impairment of telecommunications service.



**ALLIANCE COMMUNICATIONS COOPERATIVE, INC.****Lifeline Terms and Conditions**

Alliance Communications Cooperative, Inc. offers Lifeline program-supported service to qualified low-income residential consumers. The federal Lifeline and Minnesota Telephone Assistance Plan (TAP) programs provide monthly telephone service discounts on one telephone line or wireless telephone per household to eligible low-income consumers to help them establish and maintain telephone service by lowering the cost of basic, monthly local telephone service. The federal Lifeline monthly discount is typically between \$8 and \$10. The TAP provides an additional \$2.50 monthly discount on local telephone service. In addition, the Federal Universal Service Charge is not assessed to consumers participating in Lifeline. Long distance blocking (either toll limitation or toll blocking) is available to eligible Lifeline consumers at no cost. Consumers who are eligible for Minnesota Telephone Discounts for landline service do not have to pay a deposit if they agree to block long distance service.

**Lifeline Program Eligibility Information****Program Based Eligibility**

Consumers are eligible for Lifeline if they, one of their dependents or their household participate in one of the following qualifying assistance programs:

Minnesota Family Investment Program (MFIP)/Temporary Assistance for Needy Families (TANF)  
 Low-Income Home Energy Assistance Program (LIHEAP)  
 Federal Public Housing Assistance (Section 8)  
 Supplemental Nutrition Assistance Program (SNAP/Food Stamps)  
 Medicaid/Medical Assistance  
 National School Lunch Program's Free Lunch Program  
 Supplemental Security Income (SSI)

Lifeline applicants must present documentation demonstrating eligibility either through participation in one of the qualifying federal assistance programs or through income-based means.

Acceptable documentation of program-based eligibility includes: current or prior year's statement of benefits from a qualifying state, federal or Tribal program; notice letter of participation in a qualifying state, federal or Tribal program; program participation documents; or another official document evidencing the consumer's participation in a qualifying state, federal or Tribal program.

**Income Based Eligibility**

In addition, consumers are eligible for Lifeline if their household income is at or below 135% of the federal poverty guidelines.

**2014 Federal Poverty Guidelines – 135%**

Household Size	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$15,755	\$19,683	\$18,117
2	\$21,236	\$26,541	\$24,422
3	\$26,717	\$33,399	\$30,726
4	\$32,198	\$40,257	\$37,031
5	\$37,679	\$47,115	\$43,335
6	\$43,160	\$53,973	\$49,640
7	\$48,641	\$60,831	\$55,944
8	\$54,122	\$67,689	\$62,249



For each additional person, add	\$5,481	\$6,858	\$6,305
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Acceptable documentation of income eligibility includes: prior year's state, federal or Tribal tax return; current income statement from an employer or paycheck stub; social security statement of benefits; Veterans Administration statement of benefits; retirement/pension statement of benefits; unemployment/workmen's compensation statement of benefits; federal or Tribal notice of letter participating in General Assistance; or a divorce decree or child support award or other official document containing income information.

#### **Numbers of Minutes-of-Use Provided as Part of Lifeline Program Service**

Alliance Communications Cooperative, Inc.'s Voice Lifeline service includes unlimited local minutes-of-use within the toll-free calling area. Alliance Communications Cooperative, Inc.'s Voice Lifeline Plan does not include any free minutes-of-use for toll. Toll is billed at the standard toll rate depending on which interexchange carrier the consumer subscribes to for toll service. As part of the Lifeline service, Toll blocking is available to eligible consumers at no cost.

#### **Rates**

Subscribers may receive the Lifeline credit on any type or grade of local service, including bundled services that are normally offered by Alliance Communications Cooperative, Inc.. Advertised rates do not include any applicable taxes or surcharges.

#### **Recertification of Lifeline Eligibility**

Lifeline recipients are required to recertify their eligibility annually. Failure to properly recertify a recipient's continued eligibility for the Lifeline program will result in termination of the Lifeline recipient's monthly Lifeline discount and de-enrollment from the Lifeline Program.

#### **Additional Lifeline Program Information**

The Lifeline program is limited to one benefit per household, consisting of either wireline or wireless service. A household is defined, for purposes of the Lifeline program, as an individual or group of individuals who live together at the same address and share income and expenses. Lifeline is a government benefit program, and consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.

# REDACTED - FOR PUBLIC INSPECTION

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0031. The time required to complete this information collection is estimated to average 4 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

USDA-RUS

This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.

## OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

BORROWER NAME

Alliance Communications Cooperative, Inc.

(Prepared with Audited Data)

INSTRUCTIONS-Submit report to RUS within 30 days after close of the period.  
For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.

PERIOD ENDING

December, 2013

BORROWER DESIGNATION

### CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII

(Check one of the following)

☐ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report

DATE

Received & Inspected

JUN 27 2014

FCC Mail Room

### PART A. BALANCE SHEET

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 Thru 9)			39. Funded Debt-Other		
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Reacquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)		
13. Nonregulated Investments			<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
<b>PLANT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom, Plant-in-Service			51. Cap. Stock Outstand. & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)		

Total Equity = % of Total Assets



USDA-RUS  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>		BORROWER DESIGNATION  [REDACTED]
INSTRUCTIONS- See RUS Bulletin 1744-2		PERIOD ENDING December, 2013
<b>PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS</b>		
ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues	[REDACTED]	[REDACTED]
2. Network Access Services Revenues	[REDACTED]	[REDACTED]
3. Long Distance Network Services Revenues	[REDACTED]	[REDACTED]
4. Carrier Billing and Collection Revenues	[REDACTED]	[REDACTED]
5. Miscellaneous Revenues	[REDACTED]	[REDACTED]
6. Uncollectible Revenues	[REDACTED]	[REDACTED]
7. Net Operating Revenues (1 thru 5 less 6)	[REDACTED]	[REDACTED]
8. Plant Specific Operations Expense	[REDACTED]	[REDACTED]
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	[REDACTED]	[REDACTED]
10. Depreciation Expense	[REDACTED]	[REDACTED]
11. Amortization Expense	[REDACTED]	[REDACTED]
12. Customer Operations Expense	[REDACTED]	[REDACTED]
13. Corporate Operations Expense	[REDACTED]	[REDACTED]
14. Total Operating Expenses (8 thru 13)	[REDACTED]	[REDACTED]
15. Operating Income or Margins (7 less 14)	[REDACTED]	[REDACTED]
16. Other Operating Income and Expenses	[REDACTED]	[REDACTED]
17. State and Local Taxes	[REDACTED]	[REDACTED]
18. Federal Income Taxes	[REDACTED]	[REDACTED]
19. Other Taxes	[REDACTED]	[REDACTED]
20. Total Operating Taxes (17+18+19)	[REDACTED]	[REDACTED]
21. Net Operating Income or Margins (15+16-20)	[REDACTED]	[REDACTED]
22. Interest on Funded Debt	[REDACTED]	[REDACTED]
23. Interest Expense - Capital Leases	[REDACTED]	[REDACTED]
24. Other Interest Expense	[REDACTED]	[REDACTED]
25. Allowance for Funds Used During Construction	[REDACTED]	[REDACTED]
26. Total Fixed Charges (22+23+24-25)	[REDACTED]	[REDACTED]
27. Nonoperating Net Income	[REDACTED]	[REDACTED]
28. Extraordinary Items	[REDACTED]	[REDACTED]
29. Jurisdictional Differences	[REDACTED]	[REDACTED]
30. Nonregulated Net Income	[REDACTED]	[REDACTED]
31. Total Net Income or Margins (21+27+28+29+30-26)	[REDACTED]	[REDACTED]
32. Total Taxes Based on Income	[REDACTED]	[REDACTED]
33. Retained Earnings or Margins Beginning-of-Year	[REDACTED]	[REDACTED]
34. Miscellaneous Credits Year-to-Date	[REDACTED]	[REDACTED]
35. Dividends Declared (Common)	[REDACTED]	[REDACTED]
36. Dividends Declared (Preferred)	[REDACTED]	[REDACTED]
37. Other Debits Year-to-Date	[REDACTED]	[REDACTED]
38. Transfers to Patronage Capital	[REDACTED]	[REDACTED]
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]	[REDACTED]	[REDACTED]
40. Patronage Capital Beginning-of-Year	[REDACTED]	[REDACTED]
41. Transfers to Patronage Capital	[REDACTED]	[REDACTED]
42. Patronage Capital Credits Retired	[REDACTED]	[REDACTED]
43. Patronage Capital End-of-Year (40+41-42)	[REDACTED]	[REDACTED]
44. Annual Debt Service Payments	[REDACTED]	[REDACTED]
45. Cash Ratio [(14+20-10-11) / 7]	[REDACTED]	[REDACTED]
46. Operating Accrual Ratio [(14+20+26) / 7]	[REDACTED]	[REDACTED]
47. TIER [(31+26) / 26]	[REDACTED]	[REDACTED]
48. DSCR [(31+26+10+11) / 44]	[REDACTED]	[REDACTED]

[illegible]



## BORROWER DESIGNATION

PERIOD ENDED

December, 2013

INSTRUCTIONS - See RUS Bulletin 1744-2

## Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, &amp; HIGH SPEED DATA INFORMATION

#### **4. BROADBAND SERVICE**

### Details on Least Expensive Broadband Service

[illegible]

USDA-RUS  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>			BORROWER DESIGNATION [REDACTED]		
INSTRUCTIONS- See RUS Bulletin 1744-2			PERIOD ENDING December, 2013		
<b>PART D. SYSTEM DATA</b>					
1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile	5. Subscribers per Route Mile	
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	
<b>PART E. TOLL DATA</b>					
1. Study Area ID Code(s)  a. [REDACTED] b. [REDACTED] c. [REDACTED] d. [REDACTED] e. [REDACTED] f. [REDACTED] g. [REDACTED] h. [REDACTED] i. [REDACTED] j. [REDACTED]		2. Types of Toll Settlements (Check one)  Interstate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis  Intrastate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis			
<b>PART F. FUNDS INVESTED IN PLANT DURING YEAR</b>					
1. RUS, RTB, & FFB Loan Funds Expended			[REDACTED]		
2. Other Long-Term Loan Funds Expended			[REDACTED]		
3. Funds Expended Under RUS Interim Approval			[REDACTED]		
4. Other Short-Term Loan Funds Expended			[REDACTED]		
5. General Funds Expended (Other than Interim)			[REDACTED]		
6. Salvaged Materials			[REDACTED]		
7. Contribution in Aid to Construction			[REDACTED]		
8. Gross Additions to Telecom. Plant (1 thru 7)			[REDACTED]		
<b>PART G. INVESTMENTS IN AFFILIATED COMPANIES</b>					
INVESTMENTS  (a)	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year (b)	Income/Loss This Year (c)	Cumulative Investment To Date (d)	Cumulative Income/Loss To Date (e)	Current Balance (f)
1. Investment in Affiliated Companies - Rural Development	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2. Investment in Affiliated Companies - Nonrural Development	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR</b> <b>TELECOMMUNICATIONS BORROWERS</b>	BORROWER DESIGNATION [REDACTED]
	PERIOD ENDING December, 2013

**PART H. CURRENT DEPRECIATION RATES**

Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one)

☒ YES ☐ NO

EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	[REDACTED]
2. Land and support assets - Aircraft	
3. Land and support assets - Special purpose vehicles	
4. Land and support assets - Garage and other work equipment	[REDACTED]
5. Land and support assets - Buildings	[REDACTED]
6. Land and support assets - Furniture and Office equipment	[REDACTED]
7. Land and support assets - General purpose computers	[REDACTED]
8. Central Office Switching - Digital	[REDACTED]
9. Central Office Switching - Analog & Electro-mechanical	
10. Central Office Switching - Operator Systems	
11. Central Office Transmission - Radio Systems	
12. Central Office Transmission - Circuit equipment	[REDACTED]
13. Information origination/termination - Station apparatus	
14. Information origination/termination - Customer premises wiring	
15. Information origination/termination - Large private branch exchanges	
16. Information origination/termination - Public telephone terminal equipment	[REDACTED]
17. Information origination/termination - Other terminal equipment	[REDACTED]
18. Cable and wire facilities - Poles	
19. Cable and wire facilities - Aerial cable - Metal	
20. Cable and wire facilities - Aerial cable - Fiber	
21. Cable and wire facilities - Underground cable - Metal	[REDACTED]
22. Cable and wire facilities - Underground cable - Fiber	[REDACTED]
23. Cable and wire facilities - Buried cable - Metal	[REDACTED]
24. Cable and wire facilities - Buried cable - Fiber	[REDACTED]
25. Cable and wire facilities - Conduit systems	[REDACTED]
26. Cable and wire facilities - Other	



USDA-RUS  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>		BORROWER DESIGNATION [REDACTED]
INSTRUCTIONS – See help in the online application.		PERIOD ENDED December, 2013
<b>PART I – STATEMENT OF CASH FLOWS</b>		
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		[REDACTED]
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
2. Net Income		[REDACTED]
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
3. Add: Depreciation		[REDACTED]
4. Add: Amortization		[REDACTED]
5. Other (Explain) [REDACTED]		[REDACTED]
<i>Changes in Operating Assets and Liabilities</i>		
6. Decrease/(Increase) in Accounts Receivable		[REDACTED]
7. Decrease/(Increase) in Materials and Inventory		[REDACTED]
8. Decrease/(Increase) in Prepayments and Deferred Charges		[REDACTED]
9. Decrease/(Increase) in Other Current Assets		[REDACTED]
10. Increase/(Decrease) in Accounts Payable		[REDACTED]
11. Increase/(Decrease) in Advance Billings & Payments		[REDACTED]
12. Increase/(Decrease) in Other Current Liabilities		[REDACTED]
13. Net Cash Provided/(Used) by Operations		[REDACTED]
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
14. Decrease/(Increase) in Notes Receivable		[REDACTED]
15. Increase/(Decrease) in Notes Payable		[REDACTED]
16. Increase/(Decrease) in Customer Deposits		[REDACTED]
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		[REDACTED]
18. Increase/(Decrease) in Other Liabilities & Deferred Credits		[REDACTED]
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		[REDACTED]
20. Less: Payment of Dividends		[REDACTED]
21. Less: Patronage Capital Credits Retired		[REDACTED]
22. Other (Explain) [REDACTED]		[REDACTED]
23. Net Cash Provided/(Used) by Financing Activities		[REDACTED]
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
24. Net Capital Expenditures (Property, Plant & Equipment)		[REDACTED]
25. Other Long-Term Investments		[REDACTED]
26. Other Noncurrent Assets & Jurisdictional Differences		[REDACTED]
27. Other (Explain) [REDACTED]		[REDACTED]
28. Net Cash Provided/(Used) by Investing Activities		[REDACTED]
29. Net Increase/(Decrease) in Cash		[REDACTED]
30. Ending Cash		[REDACTED]



REDACTED - FOR PUBLIC INSPECTION

USDA-RUS  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	BORROWER DESIGNATION  [REDACTED]
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
<b>NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	

REDACTED - FOR PUBLIC INSPECTION

USDA-RUS  OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION  [REDACTED]
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2013
CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	